

June 9, 2010

Mr. Barry Wood  
Assessment Director  
Department of Local Government Finance  
100 N. Senate Ave., Room N 1058  
Indianapolis, IN 46204

RE: Marshall County 2010 Payable 2011 Ratio Study Reports

Dear Barry,

Ratio Studies were performed on all 187 neighborhoods in Marshall County using sales from 1-1-2008 to 2-28-2010. Because there were not a sufficient number of valid 2009 sales to produce a representative sample, I looked at our paired-sales that sold in 2008 and again in 2009 to determine if a time adjustment was necessary. Using 15 paired-sales, the median came out to 0% of change, or no time adjustment was necessary. Trending factors were calculated and applied, and the results were studied again for further analysis where required. All sold and unsold properties were treated equally and equitably. If there were no sales or not a sufficient number of sales in a neighborhood, then it was compared to a similar neighborhood or an overall taxing district factor was applied. It was discovered that we have a fewer number of sales in our higher priced areas and our lake areas. The trending factors were applied to all properties within each neighborhood.

**Appealed Parcels:** We continue to watch our appealed parcels to identify problem areas. Appraisals submitted as evidence with an appeal are being logged along with property listing prices. For 2009 Pay 2010, we had approximately 300 appeals, which is less than 1% of our total parcel count.

**Sheriff Sales:** We are mapping the location of our sheriff sales to see if they are clustering in a particular area. They are still scattered throughout the county and have increased from 83 in 2007, 86 in 2008, and 111 in 2009. The majority of the sheriff's sales have been coded invalid for trending, but the 2<sup>nd</sup> and 3<sup>rd</sup> sale after the foreclosure were reviewed individually and validated accordingly.

**Residential Rental Properties:** This was our 5<sup>th</sup> year for taxpayers to submit rental information to establish GRM and market rents in Marshall County.

For clarification, I have put comments within the cells of the ratio study to explain value adjustments when comparing to the workbook and our sales disclosure file. The following is an overview of the various classes of properties and an explanation to assist you in your review. The summary tab (1<sup>st</sup> tab in the ratio study) shows the statistics for each township by property class.

### **Residential Improved**

Green Township has only 2 valid sales in 2008 and only 4 valid sales in 2009. As we looked at Green Township for calculating a trending factor, we compared Green to Walnut Township. The four (4) 2009 Green Township sales are shown in Walnut Township. There were no valid sales in Argos-Green taxing district. Green and Walnut Townships are contiguous townships with similar market values and share the Town of Argos. We have combined these two small townships together in the past and prefer to show more sales to represent a better sampling.

German Township neighborhood Rolling Meadows, #1400517, was a new neighborhood created in 2009 pay 2010. I am using three (3) 2007 sales in the study to show a larger sampling of sales. These can be removed if needed.

In Union Township, Culver Cove Condominiums are a 411 class code instead of a 550 class code like other condo developments in our county due to the use being more like a hotel. These condos sell furnished and the personal property deduction is noted on each sale.

There are a few sales that were coded as valid in our sales disclosure file that after further research showed some of those sales should have been coded as invalid. Those parcel numbers are listed after their township ratio study in the residential improved class and show an explanation of the condition of sale.

### **Residential Vacant**

All townships except Center have fewer than 5 valid residential vacant sales. Center Township contains enough valid sales to perform an independent ratio study. From past experience with ratio study reporting, we did not combine all of the vacant sales in the county into one report.

### **Commercial Improved**

In order to capture the most current market values, our Commercial Improved sales are combined into a countywide ratio report. German, Green, West and Center have been combined to show that assessments are within the guidelines.

### **Commercial Vacant**

Due to a lack of commercial vacant sales, Marshall County does not have a Commercial Vacant ratio study.

### **Industrial Improved**

There are only 2 valid sales in North Township in 2009 and only 2 valid sales in Center Township in 2008; therefore, there are not enough sales data to perform a ratio study for Industrial Improved types of property.

**Industrial Vacant**

There were no industrial vacant land sales in Marshall County.

**Jellystone Campground**

Jellystone Campground is located in West Township. I have created an additional tab at the bottom of the excel report to show Jellystone stratified from West residential since we feel that these values should not be equalized with other West Township sales and have followed this same procedure in the past. The market values of these camping lots do not influence other West Township parcels and should stand on their own. I am only using sales from 2009 as they completely represent the market prices.

Sincerely,

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